

160861

# The Lancaster Air Service Task Force

Dedicated to Increasing Lancaster County's Economic Potential  
through Continued Access to the Global Air Transportation Network

Tom Baldrige, Chairman  
President  
Lancaster Chamber of Commerce & Industry

Brad Brubaker, Vice - Chairman  
President  
PA Dutch Convention & Visitors Bureau

Members:

March 14, 2002

OST-02-11590-3

Government Leaders:  
Jere Strittmatter  
State House Rep.  
Howard "Pete" Shaub  
Lancaster County Csmr.  
Tom Tillett  
District Director,  
Cong. Joseph Pitts

The Honorable Norman Mineta  
Secretary  
U. S. Department of Transportation  
400 Seventh Street, S. W.  
Washington, D. C. 20590

Dear Secretary Mineta:

Community Leaders:  
Kenneth Bailey  
James Cunningham  
Edward A. Davis  
Joseph Ghergo  
Russell Howell  
John Juusola  
Marvin E. Miller, Jr.  
Wayne Stephany  
Boyer Veitch

On behalf of the Lancaster Air Service Task Force and the Greater Lancaster Community, please allow us this opportunity to express our sincere congratulations to you for your dedicated leadership of the D.O.T. at this unprecedented time in our nation's history.

We are writing to respectfully request your consideration of our application for funding under "The Small Community Air Service Development Program".

As a brief background, after years of hard work and commitment, the Lancaster community was delighted to secure commercial air service in March of 1949. We have enjoyed continuous air service since that time; this service has greatly contributed to the overall health of the local economy. In 2001, Penn DOT-Bureau of Aviation commissioned a study entitled the "Economic Impact of Aviation in PA." This study reported that air service contributes almost \$38 Million dollars to our economy. This includes over 600 jobs that are now at risk.

Travel Industry Leaders:  
Shaun Balani  
President  
Travel Time  
Travel Agency/  
American Express  
Thomas C. Shenk  
Manager/Operator  
Ridgeway Travel

The Lancaster community continues to donate their time and resources to maintain air service. (Please see the community efforts section of the attached application.) Unfortunately, the tragic events of September 11, 2001, now threaten commercial air service in Lancaster County. Chautauqua Airlines d/b/a US Airways Express filed their "Notice of Intent to vacate the Lancaster market" on January 31, 2002. (USDOT Docket No. OST11450) Please see attached news article in which Chautauqua Airlines cites the events of 9/11 has forced them to eliminate their turbo-prop business and operate only as a regional jet carrier.

Also attached, please find a letter of support for our application from the Honorable Brad Mallory, Secretary PA-DOT.

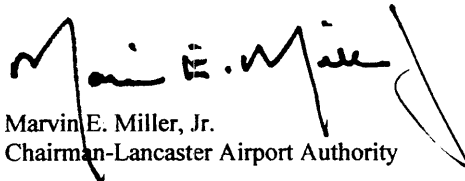
Lancaster County is an economic leader in the Commonwealth of Pennsylvania with more than 480,000 residents, more than 234,000 employed by more than 11,000 companies operating in Lancaster County. Lancaster is the second-fastest growing county in Pennsylvania and has enjoyed one of the lowest unemployment rates in the state and the US for more than ten years. Please join us and KEEP our ECONOMY SOARING AND LANCASTER FLYING!

Your time and consideration of our application is greatly appreciated. If you need any additional information, please do not hesitate to contact me at 717-397-3531 or Ms. Joyce Opp, Finance & Marketing Director, Lancaster Airport at 717-569-1221 or by email at [jopp@lanasterairport.com](mailto:jopp@lanasterairport.com).

Sincerely,



Tom Baldrige  
President-Lancaster Chamber of Commerce & Industry  
Chairman-The Lancaster Air Service Task Force



Marvin E. Miller, Jr.  
Chairman-Lancaster Airport Authority

ccw/enc.: The Honorable Arlen Specter  
The Honorable Rick Santorum  
The Honorable Joseph Pitts  
Dennis DeVany, Chief-EAS U. S. DOT  
500 Airport Road, Suite G, Lititz, PA 17543

Phone: (717)569-1221, Fax: (717)569-1952

Website: [www.lancasterairport.com](http://www.lancasterairport.com) E-mail: [jopp@lanasterairport.com](mailto:jopp@lanasterairport.com)



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF TRANSPORTATION  
HARRISBURG, PENNSYLVANIA 17120

OFFICE OF  
SECRETARY OF TRANSPORTATION

July 13, 2001

Honorable Norman Y. Mineta  
Secretary  
U.S. Department of Transportation  
400 Seventh Street, SW  
Washington, DC 20590

Dear Secretary Mineta:

I am writing in strong support of the application of Lancaster Airport Authority to participate in the Small Community Air Service Development Pilot Program, which is contained in the recent amendments to Title 49 of the United States Code, Subpart II, Chapter 417, Subchapter II (49 USC 41713 et seq.) and authorized by section 203 of Public Law 106-181. This assistance would help improve air service both in terms of cost and availability.

As background information, the Lancaster Airport currently has air service provided by US Airways Express. Recently, due to airside congestion difficulties, and the limitation to the number of 19-passenger aircraft operating at the Philadelphia International Airport, US Airways Express cut 40 percent of its air service at Lancaster Airport. According to a recent study conducted for the airport, the demand for air service is growing; however, the airport currently captures only 3.4 percent of the air service market due to the limited number of daily departures. Lancaster's service levels are much lower than other cities its size, currently having 4 daily regional departures compared to the average of 19 jet departures and 13 regional departures for cities of similar size.

The Lancaster Airport service area is an economic leader in Central Pennsylvania and is one of the fastest growing areas in the Commonwealth. One of the prime reasons for this growth is the convenience of a scheduled service airport. Area and visiting businesses rely on the airport's scheduled and general aviation services to move people, supplies and products in an expeditious manner. To continue both the economic and demographic growth in the area, it is important to address the gap between air service demand and air service supply that currently exists.

Pennsylvania has long understood that airports are more than just a convenient mode of transportation; that the airports in Pennsylvania are key contributors to the growth and economic prosperity of the entire state. The Commonwealth and the local region recognize the importance of this airport to the aviation system. Our support has included nearly \$4 million in state support for airport improvement projects in the last nine years. These projects also received financial support from the local area to the tune of over \$1.1 million.

Honorable Norman Y. Mineta  
July 13, 2001  
Page 2

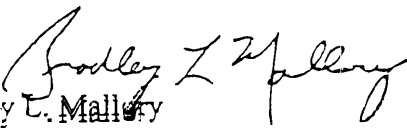
Support does not end here. In anticipation of their inclusion in the Small Community **Air** Service Development Pilot Program, the airport has received pledges of \$75,000 from the county and the local businesses.

With this financial **support**, the Lancaster Airport has made many improvements to make it more **of** an asset to the region and to improve safety at *the* facility. But just as important, the airport **is** doing its **part** in trying to increase their revenue and to become a better neighbor. The authority recently negotiated with two new aviation businesses to attract them to the airport. This resulted in a new Fixed Base Operator and a company that will be selling a newly developed single engine airplane. A new terminal and airside restaurant recently opened at the airport. The Authority initiated *the* creation of the Citizens' Advisory Committee from the various neighborhoods surrounding the airport and is initiating efforts to reduce noise around the airport. Annually, the airport hosts an aviation awareness event for the community.

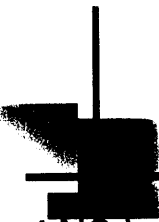
These are just a few examples of how the airport is trying to increase its enplanements and to market the facility. The Commonwealth partners with all of its airports and does what it can to help promote *the* use of aviation. We attempt to take advantage of every tool that is available in our efforts to make primary airports self-sufficient. The Small Community Air Service Development Pilot Program was designed for airports such as the Lancaster Airport to assist them in this effort. We feel **that** the airport and the Commonwealth are doing their part; and are seeking a partnership in the effort.

I urge you to select Lancaster Airport as one of the forty airports to participate in the pilot program. In doing so, you will not only be assisting the Lancaster Airport, but also helping to reduce the congestion at the surrounding larger hub airports. Thank you for your consideration on this most important matter.

Sincerely,

  
Bradley L. Mallory  
Secretary of Transportation

# The Lancaster Community respectfully submits that this application deserves priority consideration for the following reasons:

- 
- LNS is eligible for priority consideration under the law due to the following:
    - LNS has proved insufficient air service (See Air Service Demand Section.)
    - LNS formed a public-private partnership to promote air service in 2000. (See Community Efforts Section.)
    - LNS has worked to receive a considerable local match. (See Grant Proposal.)
  - LNS is eligible for priority consideration under the Secretary's order due to the following:
    - LNS has worked diligently to obtain an air service commitment from US Airways and their express carrier Colgan Air. If this grant is awarded, thereby guaranteeing immediate success of our application.
    - The initial success of the public-private partnership, The Lancaster Air Service Task Force is proof positive that this community can and will utilize these funds for business development that will result in successful subsidy-free air service into the future.
  - NOTE: LNS has been eligible for EAS subsidies since 1978, however the communities' time, effort and dedication to sustaining subsidy-free air service and US Airways 52 year commitment to LNS has resulted in saving the EAS program and the USDOT millions of dollars. LNS has never required a subsidy until now due to 9/11/01.

Proposal under the Small Community  
Air Service Development Pilot Program  
DOCKET OST-2002-11590

Presented to:

The Honorable Norman Mineta-Secretary



Presented by: The Lancaster Air Service Task Force

Thomas T. Baldrige-Chairman

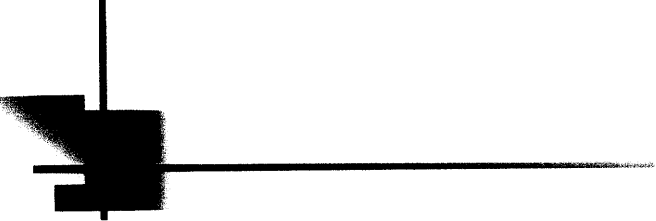
Legal Sponsor: The Lancaster Airport Authority

Marvin E. Miller, Jr.-Chairman

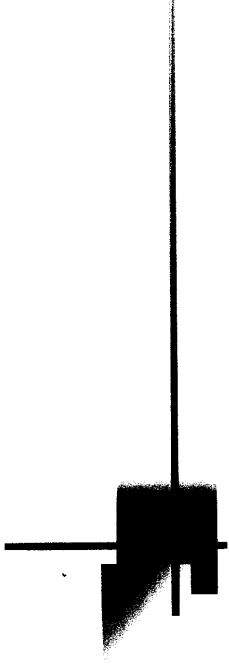


# History and Current Status of Commercial Air Service in Lancaster County

# History of commercial air service at LNS:

- 
- 1949- All American Airways begins operations with daily service to Pittsburgh
    - Over the years, LNS had a high of 14 departures per day to three major hub airports, however, the most consistent service was ten flights a day to two major hub airports, PHL and PIT. This minimum level of service was offered for over 30 years.
  - 1994-Allegheny Airlines leaves and Mesa Airlines begins doing business as US Airways Express
  - 1995-revenuePassengers decrease 32%
  - 1996-LAA launches the “Take the EASY way out” campaign
  - 1997-revenuepassengers **increase** 47%
  - 1999-US Airways Express cuts 40% of our flights citing new FAA rules regarding land and hold short procedures at PHL

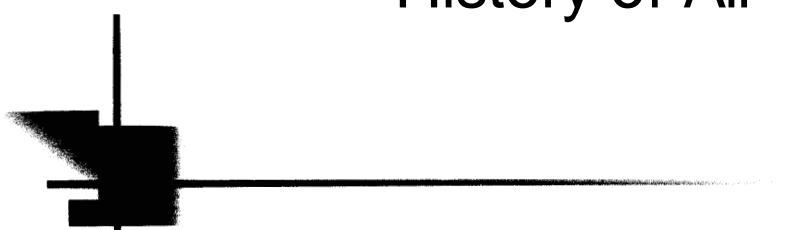
# History of commercial air service at LNS, cont'd:



- 2000-US Airways Express cuts the last remaining flight to PHL and one of our five daily round-trips to PIT
- upgrades the aircraft operating to/from PIT from a 19-pax Jetstreams to 30-Pax SAAB 340 aircraft
- The Lancaster Air Service Task Force was formed in December
- 2001-The Task Force increases load factors from 34% in January to 60% in August of 2001!
- 2001-US Airways Express in response to 9-11-01 cuts 25% of our remaining flights leaving our community with three round trip flights to PIT
- 2002-Chautauqua Airlines our last remaining air carrier files its notice to terminate service at LNS-Docket No. OST2002-11450-1. *This could leave LNS without any air service for the first time in more than 50 years.*



## History of Air Service at LNS Continued:

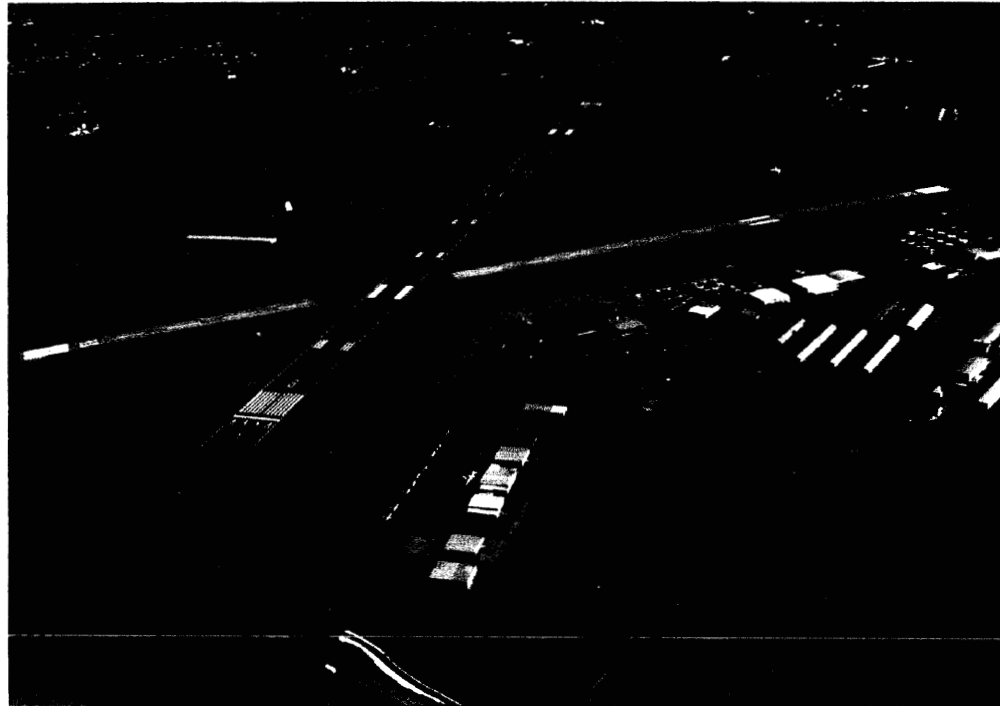


	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	<b>Jun-99</b>
Destinations	3	3	3	3	5	4	3	2	2	3	3	3	3	<b>3</b>
Daily Departures	12	17	14	14	14	13	12	11	8	9	9	10	11	<b>6</b>
<i>Source: OAG Schedule Tapes</i>														

NOTE: This chart is dated in 1999. LNS currently has service three times per day to one destination.

Of the 67 counties in Pennsylvania, Only 16  
have commercial airline service.

Why Lancaster?



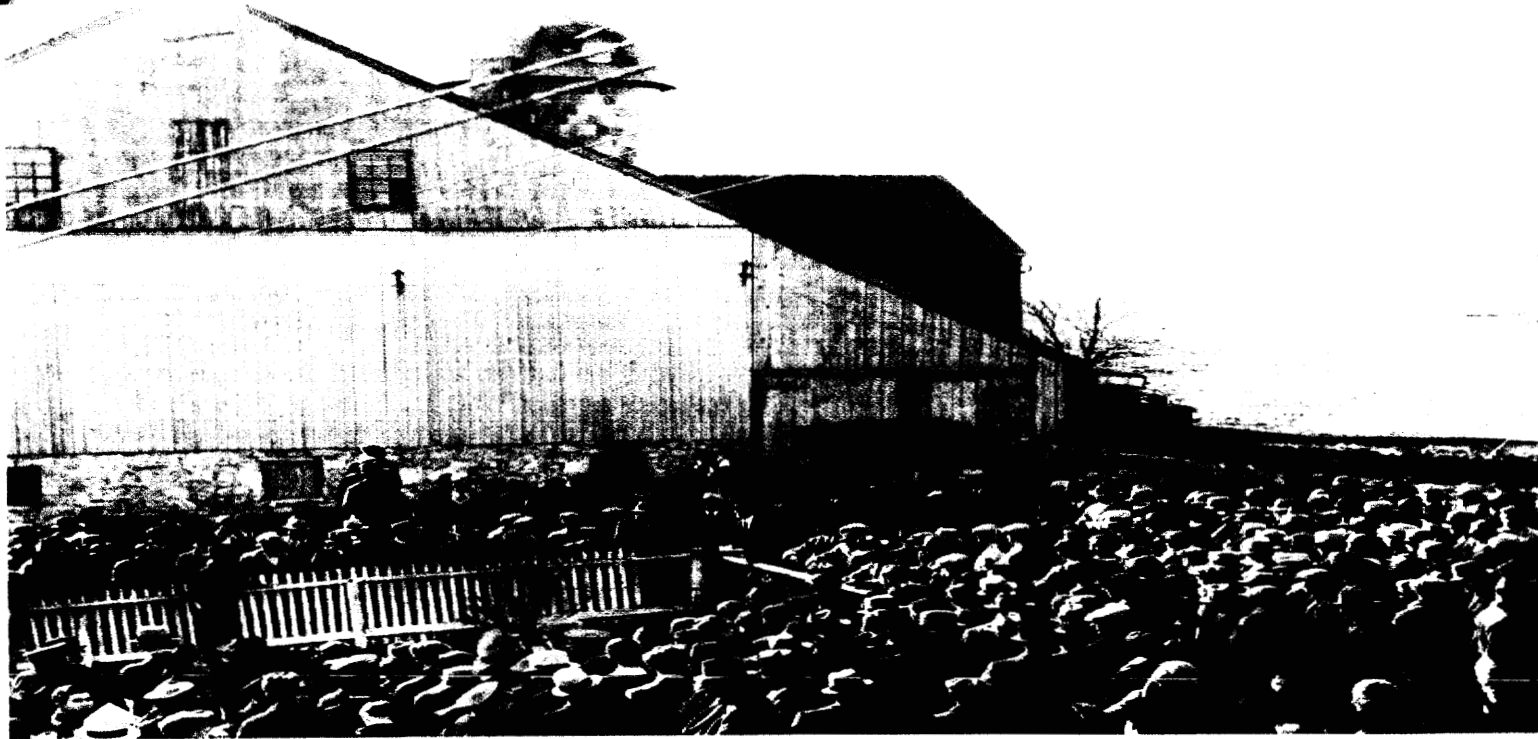
The inauguration of Air Service to Lancaster County in 1949 was a direct result of hundreds of local residents, government, business and community leaders' tireless efforts.

In 1933, The “Citizen’s Airport Committee” was formed to begin developing a plan for a public airport in Lancaster for the following

reasons:

1. There would be a minimal direct cost to the community because Federal W.R.A funds were available.
2. The new airport would boost the economic potential of Lancaster County.
3. The new airport would alleviate the unemployment problem that existed in Lancaster City and Lancaster County.

The Committee convinced the City and County to divide the local funding necessary to obtain Federal and State grants. They purchased 184 acres in 1933 to begin the project.

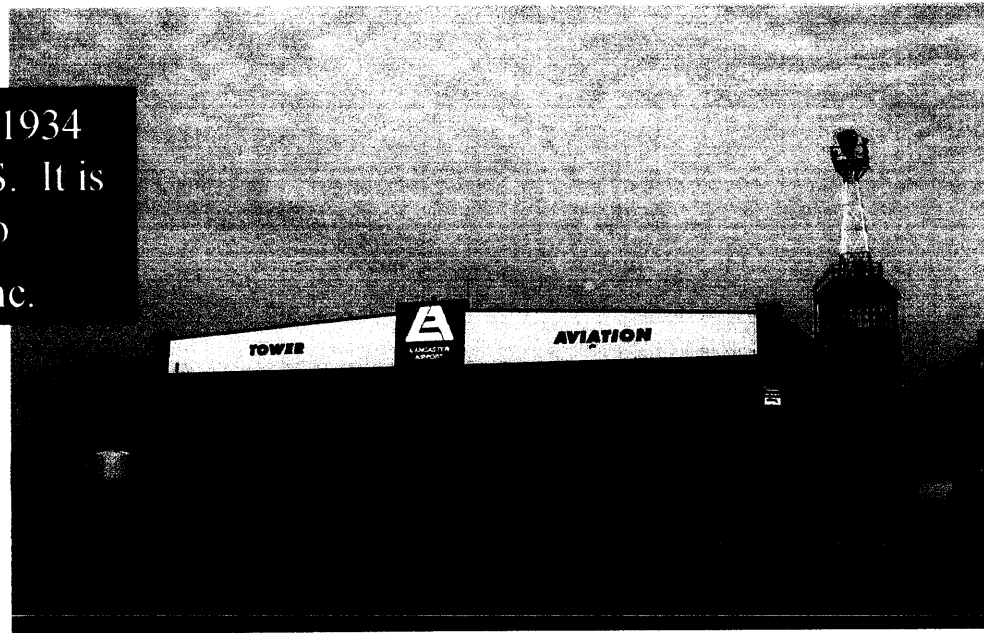


*Ground breaking ceremony at Lancaster Airport, March 15, 1934.*

More than 1,000 people attended the Ground Breaking Ceremony on the muddy farm lane on March 15, 1934.

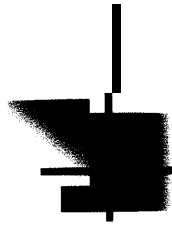
The Airport served Lancaster County well through World War 11. During the war, pilots headed for duty were trained in the main hangar.

This hangar, built in 1934 continues to serve LNS. It is currently home to Tower Aviation, Inc.



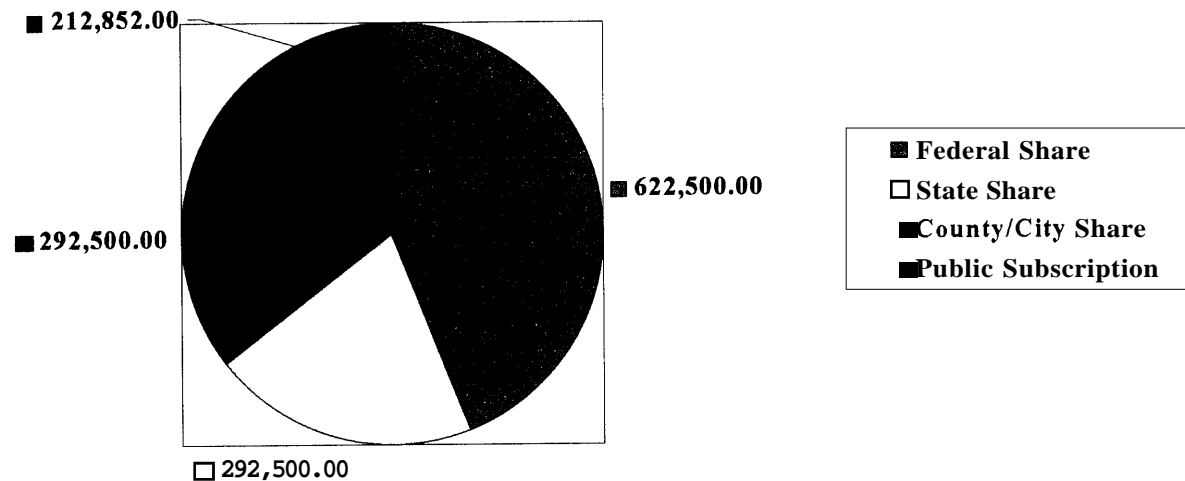
After the war, the Citizens Airport Committee realized that in order to compete for airline service, the airport would have to be substantially updated. The cost of the upgrade would exceed 1.4 million dollars.

The Citizens Airport Committee worked to raise the funding necessary to match Federal and State Grants to upgrade the facility to airline standards



## Cost share of the “New Enlarged Lancaster Municipal Airport”

New Holland,  
N.A. was a  
major  
contributor



416 private and business donations totaling \$212,852.00 were raised. With inflation, this amount is equal to approx. \$40 Million today.

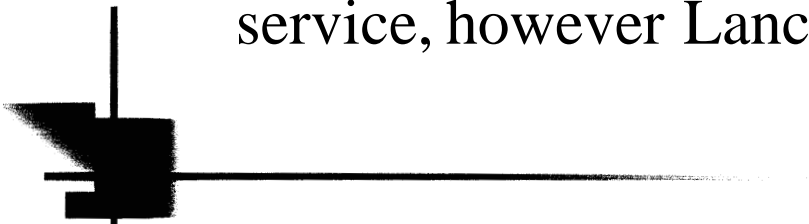
These donated funds continue to benefit Lancaster County 5

The new airport was dedicated on June 18, 1949. There was a presentation during the ceremony to Mr. E. George Seidle who “through two decades fought a **never surrender fight** for the realization of a modern airport, served by commercial airlines.”



All American Airways, which later became US Airways Express inaugurated airline service to Lancaster in March of 1949 with service from Lancaster to Pittsburgh.

The community's effort provided adequate East-West service, however Lancaster had no North-South service.



The Lancaster community worked for more than four years to obtain North-South air service with no success.

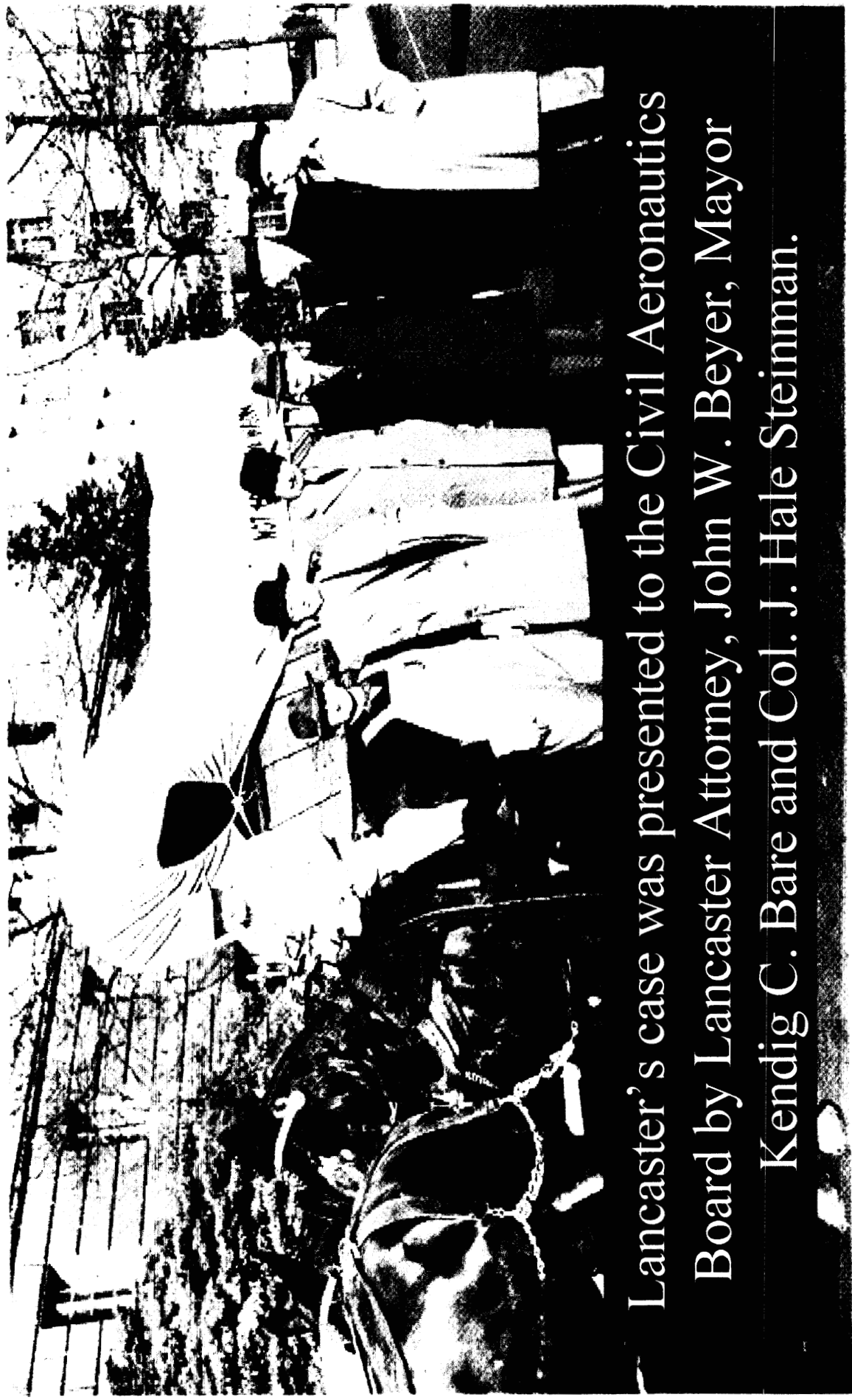
Finally, in January of 1953, Earl Keyser, Editor of the Lancaster Intelligencer Journal conceived the idea of sending a Conestoga Wagon to D. C. to dramatize the need for additional air service.

The Conestoga Wagon with its teams of horses made the 120 mile trip to Washington D. C. and parked outside the Civil Aeronautics Board building.

On the side of the wagon a large banner read:

**“LANCASTER NEEDS NORTH-SOUTH AIR SERVICE NOW, NOT  
CONESTOGA WAGONS”**





Lancaster's case was presented to the Civil Aeronautics Board by Lancaster Attorney, John W. Beyer, Mayor Kendig C. Bare and Col. J. Hale Steinman.

*Delegation from Lancaster at Civil Aeronautics Board in Washington, D.C., January 1953. Pictured (l. to r.) with the two men who drove the Conestoga Wagon are Mayor Kendig C. Bare, John W. Beyer, Attorney, Congressman Paul B. Dague, Senator Edward Martin and Col. J. Hale Steinman.*